



# Department of Justice

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## **OPERATOR OF FOR-PROFIT SOFTWARE PIRACY** **WEB SITE PLEADS GUILTY**

### ***Caused Up To \$25 Million in Losses to Software Industry***

WASHINGTON—The operator of a for-pay Internet site that reproduced significant amounts of pirated computer software pleaded guilty today in federal court, Assistant Attorney General Alice S. Fisher of the Criminal Division and U.S. Attorney Chuck Rosenberg of the Eastern District of Virginia, announced today.

Ronnie A. Knott, 36, of Salt Lake City, pleaded guilty in Alexandria, Va., before U.S. District Court Judge T.S. Ellis III to one count of criminal copyright infringement for selling pirated software over the Internet. Knott is scheduled to be sentenced on February 23, 2007 at 9 A.M. before U.S. District Court Judge Gerald Bruce Lee. He faces a maximum sentence of five years in prison and a \$250,000 fine.

Beginning in at least early 2005 and continuing until its shutdown by the FBI in May 2006, Knott operated a business called both "Smart PC" and "CDBackups," which provided paid "subscribers" access to infringing copies of software products that were copyrighted by companies such as Adobe Systems Inc., Apple Computer Inc., Microsoft Corporation, and Symantec Corporation. Knott admitted that he received approximately \$20,000 in subscription fees for providing this access.

The investigation, which was conducted by agents of the FBI's Washington Field Office, involved an undercover agent who became a subscriber to Knott's service and was able to download more than \$30,000 worth of pirated software. Using evidence of the FBI's undercover purchases as probable cause, Knott's operation was taken down in May 2006. Further investigation established that Knott had illegally reproduced copyrighted software with a retail value of nearly \$2.5 million.

This case is being prosecuted by Trial Attorney Jay V. Prabhu, of the Criminal Division's Computer Crime and Intellectual Property Section.

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